



BOARD OF EQUALIZATION

**PROPERTY TAX COMMITTEE MEETING MINUTES**HONORABLE KATHLEEN CONNELL, COMMITTEE CHAIR  
450 N STREET, SACRAMENTO

JUNE 20, 2001, 1:30 P.M.

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**ACTION ITEMS & STATUS REPORT ITEMS****Agenda Item No: 1****Title:** Assessment of Artificial Satellites.**Issue/Topic:**

How should the Board address the question of a review regarding the assessability of artificial orbiting satellites?

**Committee Discussion:**

Staff described its recommendation to address the matter as part of the update to Assessors' Handbook Section 504, *Assessment of Personal Property and Fixtures*. Staff also described the alternatives to either (1) address the assessment of satellites as a separate project or, (2) revise Rule 205 to include language on satellites.

Representatives from industry spoke in support of initiating rulemaking. They further expressed a preference that the matter of assessment of satellites be addressed in a separate rule, rather than as a revision to Rule 205.

**Committee Action/Recommendation/Direction:**

The Committee voted to recommend that the Board initiate the rulemaking process.

The Committee also voted to recommend that the Board direct staff to write a letter to the Los Angeles County Counsel stating that the March 29, 2001 letter, regarding the assessment of satellites, does not represent the Board's opinion or position and should not be relied on as such and that the issue will be addressed formally through the rulemaking process.

**Agenda Item No: 2**

**Title:** Jurisdiction to Assess the Property of Companies Selling Electricity

**Issue/Topic:**

Should the Board take any action with regard to assessment jurisdiction of electric generation facilities?

**Committee Discussion:**

Representatives from local government spoke in support of not taking action on Rule 905 pending the outcome of proposed legislation (AB 81).

The California Assessors' Association spoke in support of leaving the existing Rule 905 unchanged.

Industry representatives spoke in support of taking no action on Rule 905.

**Committee Action/Recommendation/Direction:**

After a lengthy discussion, the Committee voted to recommend that the Board direct staff to start the regulatory process to revise Rule 905. The revised rule is to provide for Board assessment of the property of electrical corporations, defined under Public Utilities Code section 218, subdivisions (a) and (b) that own an electric generation facility of 50 megawatts or more, excluding qualifying cogeneration plants and qualifying facilities.

Approved: /s/ Marcy Jo Mandel for  
Kathleen Connell, Committee Chair

/s/ James E. Speed  
James E. Speed, Executive Director

**BOARD APPROVED**

At the June 21, 2001 Board Meeting

/s/ Gary Evans  
Gary Evans, Acting Chief  
Board Proceedings Division